

**Kathmandu --** The U.S. Government, through U.S. Agency for International Development (USAID), will provide a total of \$205 Million over the next five years to Nepal through an agreement signed today with the Government of Nepal.

These funds will be used to build peace, strengthen democracy and governance, improve health services, support economic growth and education, and assist with humanitarian crisis in Nepal.

In a brief ceremony at the Finance Ministry, Mr. Kapil Dev Ghimire, Joint Secretary of the Ministry of Finance, and Dr. Kevin A. Rushing, Mission Director of USAID/Nepal, signed the agreement on behalf of their governments.

“On behalf of the Government of Nepal, I would like to express my appreciation to the people and the Government of the United States of America for this assistance and also for their continued interest and support in the socio-economic development of Nepal,” said Mr. Ghimire.

Dr. Rushing remarked “this Agreement reflects the U.S. Government’s continued and growing commitment to the development priorities in Nepal, and we are very pleased to be working with the Government of Nepal and for the benefit of the Nepali people.”

In this Agreement, USAID will provide \$82.5 million to assist the Government to provide quality health services to its people, particularly the poor, and to pursue achievement of its 2015 Millennium Development Goals for health.

\$12 million will support peace-building at the national and local levels, including activities that bring together communities, civil society, and government to repair damaged infrastructure and encourage dialogue about the peace process.

USAID will also provide \$53 million for programs that strengthen democracy and governance in Nepal.

USAID will provide \$56.5 million for economic growth programs. Programs will support the Government, the private sector, and civil society organizations to improve the business environment for private sector-led growth; encourage competitiveness and exports; increase agricultural productivity; and strengthen microfinance policies and institutions.

USAID will also support humanitarian assistance and recovery programs, including flood recovery in the Terai, with \$1 million in funding.

Dr. Rushing further commented, “In all of USAID/Nepal’s assistance programs, there will be a special focus on social inclusion and support for Nepal’s youth. USAID recognizes the critical importance of the broad participation of all members of society, particularly youth and historically disadvantaged groups. It is one of our highest priorities to involve these groups through all our programs.”

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